

# Appendix 3X

## Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

<b>Name of entity:</b> South American Ferro Metals Limited
<b>ABN:</b> 27 128 806 977

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

<b>Name of Director</b>	Philip Hopkins
<b>Date of appointment</b>	16 November 2011

**Part 1 - Director's relevant interests in securities of which the director is the registered holder**  
*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

<p><b>Number &amp; class of securities</b></p> <p>10,000,000 unlisted share options (Exercise price: 36c, Expiry date: 31 December 2015).</p> <p>The options vest in three tranches as follows:</p> <ul style="list-style-type: none"><li>▪ <b>Tranche 1:</b> 3,333,334 options vesting on the Company identifying a JORC compliant resource of iron ore on the Project reaching or exceeding 50 million tonnes, and the Executive remaining as an executive employee of the Company on 31 December 2011.</li><li>▪ <b>Tranche 2:</b> 3,333,333 options vesting on the Company identifying a JORC compliant resource of iron ore on the Project reaching or exceeding 140 million tonnes or the production run rate over a continuous 12 month period being greater than 800,000 tonnes per annum of saleable products, whichever may occur first, and the Executive remaining as an executive employee of the Company on the later of that date or 31 December 2012.</li><li>▪ <b>Tranche 3:</b> 3,333,333 options vesting on the achievement of a production run rate to be agreed between the Company and the Executive for the Project for the year ended 31 December 2013, and the Executive remaining as an executive employee of the Company on 31 December 2013.</li></ul> <p>Subject to the volume average weighted average price of the Company's shares traded on ASX during the 5 days prior to the exercise of the Options being at least \$0.50.</p>
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+ See chapter 19 for defined terms.

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### Part 2 – Director's relevant interests in securities of which the director is not the registered holder

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Name of holder & nature of interest	Number & class of Securities
Note: Provide details of the circumstances giving rise to the relevant interest.	
Not applicable	

### Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
No. and class of securities to which interest relates	N/A

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+ See chapter 19 for defined terms.